



Farm Production Expenditures

Results from the 2001 Agricultural Resource Management Study (ARMS)

(for the complete report, see <http://usda.mannlib.cornell.edu/reports/nassr/price/zpe-bb/>)

U.S. farm production expenditures totaled \$197.0 billion in 2001, up 3.9 percent from the revised 2000 total of \$189.6 billion. The largest contributors to the increase were: tractors and self-propelled machinery, up 13.0 percent; seeds and plants, up 10.7 percent; labor, up 6.3 percent; and farm services, up 5.1 percent. These increases more than offset a 7.1 percent decrease in farm improvement and construction. The largest two expenditure categories were farm services, which accounted for 13.6 percent of the U.S. total production expenses; and feed, which accounted for 12.8 percent of the U.S. total production expenses. The farm services category includes expense items such as custom work, utilities, marketing charges, veterinary services, transportation costs, and miscellaneous business expenses.

The average expenditures per U.S. farm in 2001 were \$91,547 compared to \$87,543, as revised for 2000. On the

average, U.S. farm operations in 2001 spent \$12,408 on farm services; \$11,711 on feed; \$10,224 on labor; \$8,783 on livestock and poultry purchases; and \$7,807 on rent. Revised estimates for 2000 indicated that U.S. farms spent an average of \$11,782 on farm services; \$11,312 on feed; \$9,558 on labor; \$8,311 on livestock and poultry purchases; and \$7,434 on rent.

The Northeast Farm Production Region (CT, DE, ME, MD, MA, NH, NJ, NY, PA, RI, VT) contributed \$12.4 billion or 6.3 percent of the 2001 U.S. total for farm production expenditures. The regions with the highest total expenditures were: the Corn Belt (IL, IN, IA, MO, OH) at \$36.6 billion; Pacific Region (CA, OR, WA) at \$33.9 billion; Northern Plains (KS, NE, ND, SD) at \$26.4 billion; Lake States (MI, MN, WI) at \$20.4 billion; and the Southern Plains (OK, TX) at \$16.5 billion.

Farm Production Expenditures: Major Input Items, Average per Farm & Total, Northeast Region ¹³ & U.S. ¹, 2000-2001

Expenditure - Farm Share	Farms Reporting ¹¹		Average per Farm ¹²		Total Expenditures	
	2000	2001	2000	2001	2000	2001
	<i>Percent</i>		<i>Dollars</i>		<i>Million Dollars</i>	
Northeast ¹³						
Total Farm Production Expenditures ^{2,3}	100.0	100.0	80,201	83,716	11,950	12,390
Livestock, Poultry & Related Expenses ⁴	30.0	40.7	4,430	4,730	660	700
Feed	63.2	68.2	14,430	15,270	2,150	2,260
Farm Services ⁵	98.7	98.1	11,007	11,824	1,640	1,750
Rent ⁶	25.6	28.7	1,812	1,959	270	290
Agricultural Chemicals ⁷	45.8	51.3	2,013	2,095	300	310
Fertilizer, Lime & Soil Conditioners ⁷	60.2	65.9	2,718	2,973	405	440
Interest	44.5	42.4	4,161	3,986	620	590
Taxes (Real Estate & Property)	99.9	98.0	3,960	4,122	590	610
Labor	36.7	45.2	11,342	11,216	1,690	1,660
Fuels	90.1	93.9	2,819	2,838	420	420
Farm Supplies & Repairs ⁸	93.7	92.8	6,846	6,959	1,020	1,030
Farm Improvements & Construction ⁹	65.3	65.0	5,638	5,878	840	870
Tractors & Self-Propelled Farm Machinery	14.2	17.1	1,711	2,095	255	310
Other Farm Machinery	25.3	31.6	2,013	2,297	300	340
Seeds & Plants ¹⁰	51.4	54.4	3,423	3,514	510	520
Trucks & Autos	16.3	17.6	1,711	1,689	255	250
United States ¹						
Total Farm Production Expenditures ^{2,3}	100.0	100.0	87,543	91,547	189,600	197,000
Livestock, Poultry & Related Expenses ⁴	32.4	30.9	8,311	8,783	18,000	18,900
Feed	64.8	63.7	11,312	11,711	24,500	25,200
Farm Services ⁵	97.2	94.2	11,728	12,408	25,400	26,700
Rent ⁶	35.2	35.2	7,434	7,807	16,100	16,800
Agricultural Chemicals ⁷	53.3	52.1	3,925	3,996	8,500	8,600
Fertilizer, Lime & Soil Conditioners ⁷	63.9	62.5	4,617	4,786	10,000	10,300
Interest	45.8	45.1	5,033	5,112	10,900	11,000
Taxes (Real Estate & Property)	99.0	99.0	3,186	3,253	6,900	7,000
Labor	39.3	39.2	9,558	10,224	20,700	22,000
Fuels	86.3	85.9	3,232	3,253	7,000	7,000
Farm Supplies & Repairs ⁸	87.4	84.8	5,725	5,995	12,400	12,900
Farm Improvements & Construction ⁹	51.0	50.7	3,878	3,625	8,400	7,800
Tractors & Self-Propelled Farm Machinery	14.1	14.8	2,493	2,835	5,400	6,100
Other Farm Machinery	25.0	24.3	1,662	1,719	3,600	3,700
Seeds & Plants ¹⁰	51.7	49.6	3,463	3,857	7,500	8,300
Trucks & Autos	17.6	17.8	1,847	1,952	4,000	4,200

¹ Excludes AK and HI. ² Total includes production costs not allocated to any of the 16 expense categories published. ³ Includes landlord and contractor share of farm production expenses. ⁴ Includes purchases and leasing of livestock and poultry. ⁵ Includes all crop custom work, veterinary services, custom feeding, transportation costs, marketing charges, insurance, leasing of machinery and equipment, miscellaneous business expenses, and utilities. ⁶ Includes public and private grazing fees. ⁷ Includes material and application costs. ⁸ Includes bedding and litter, marketing containers, power farm shop equipment, miscellaneous non-capital equipment and supplies, repairs and maintenance of livestock and poultry equipment, and capital equipment for livestock and poultry. ⁹ Includes all expenditures related to new construction or repairs of buildings and fences, and any improvements to physical structures of land. ¹⁰ Excludes bedding plants, nursery stock, and seed purchased for resale. ¹¹ Number of farms reporting item divided by total number of farms. ¹² Total expenditures divided by total number of farms. ¹³ Northeast Region consists of CT, DE, ME, MD, MA, NH, NJ, NY, PA, RI, VT.